

## **TITLE 23. WATERS**

### **DIVISION 2. DEPARTMENT OF WATER RESOURCES**

#### **CHAPTER 5.1 WATER CONSERVATION ACT OF 2009**

#### **ARTICLE 2. Agricultural Water Measurement**

#### **Agricultural Aggregated Farm-Gate Delivery Reporting Format**

#### **for Article 2 (Rev. 7-05-2013)**

#### **Related to Rulemaking File #2011-1219-04C**

### **INITIAL STATEMENT OF REASONS**

#### **Background**

In 2007, the Legislature adopted AB 1404 establishing Water Code §531.10, which requires agricultural water suppliers to submit an annual report of aggregated farm-gate delivery on a monthly or bimonthly basis to the Department of Water Resources (DWR). DWR developed a form to comply with the reporting requirements of the Water Code. This form was incorporated by reference into Title 23 CCR 597, the Agricultural Water Measurement Regulation (Regulation) approved by the Office of Administrative Law on July 11, 2012. It contains the Agricultural Aggregated Farm-Gate Delivery Reporting Form for Article 2 (Rev. 6-20-2012).

During the final stage of the adoption of the Regulation by the California Water Commission, DWR received some informal comments requesting that it revise the Form's year designation from a fiscal year (July through June) to a calendar year (January to December).

The purpose of the rule amendment is to modify the Form to make it more easily understood and user-friendly. DWR has determined that this rule amendment is necessary to help agricultural water suppliers comply with the legislation and regulation.

#### **Authority**

The modification of the Form is necessary and helps the agricultural water suppliers to comply with the regulation and to implement the requirements of the Water Code listed here:

Water Code Section §10608.48(b), paragraphs (1) and (2) specify agricultural water suppliers' reporting of aggregated farm-gate water delivery and adopting a volumetric water pricing structure as the purposes of water measurement.

Water Code Section 531.10 requires water suppliers to report aggregated farm-gate delivery to DWR. Section 531.10(a) requires that “An agricultural water supplier shall submit an annual report to the department that summarizes aggregated farm-gate delivery data, on a monthly or bi-monthly basis, using best professional practices”. It also defines “aggregated farm-gate delivery” to mean “information reflecting the total volume of water an agricultural water supplier provides to its customers and is calculated by totaling its deliveries to individual customers”.

Water Code Section 10608.48(i) authorizes the Department to adopt regulations concerning these water measurement reports.

The reasoning is that a Form that reflects a calendar year is better understood by agricultural water suppliers. Additionally, the agricultural water suppliers will have up to seven months to compile their water delivery data from January to December of the a calendar year and submit it to DWR by July of the subsequent year. Therefore, DWR has revised the calendar of the Form as follows:

- Change format from fiscal year (July-June) to calendar year (January-December).
- The revised form is to be submitted by July, 2014, for 2013 calendar year data.
- All other parts of the form remain the same. The annual date of submittal is unchanged.
- Currently agricultural water suppliers have to report to the State Water Resources Control Board, Division of Water Rights, on their diversions on a calendar year (Jan-Dec) basis.

### **Material Relied Upon**

1. Economic Impact Analysis June 28, 2013, for this rule amendment.

### **Description of Reasonable Alternatives**

1. No Action. Make no changes to the existing Form. Keep the fiscal year (July-June) format. This alternative would not meet the objective of creating a Form that is better understood and easier to use than the existing form.
2. Change Form from fiscal year (July-June) to water year (October-September) that DWR uses. This alternative would also be confusing, as agricultural water suppliers may have different definitions of “water year” than DWR.

### **No Significant Statewide Adverse Economic Impact Directly Affecting Business**

This proposed regulatory change would not impact upon business as it only proposes to rearrange the existing Form for ease of use by agricultural water suppliers.

### **Avoidance of conflict with Federal Regulations**

This proposed regulatory change would not conflict with Federal Regulations.